**Assessment of income tax of persons/companies making films**

†2697. DR. ABRAR AHMED: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) the manner in which income tax is assessed in respect of persons or companies making films and T.V. serials alongwith the artists and persons working therein;

(b) the details of tax pending against each of the above mentioned categories and persons;

(c) whether film and T.V. serial producers makes tax deduction at source from the salaries of artists making in their films and serials; if so, the details thereof; and

(d) whether cases have been registered against some filmstars and film producers for the recovery of tax and if so, the details thereof?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) Income tax is assessed in the case of person or company producing film and T.V. serials on the basis of returns of income filed by such persons or companies, as in the case of other assessees. The income for the artists and persons working in such programmes is also determined on the basis of returns of income filed by such persons.

(b) Separate details in respect of employment categories like film or T.V. artists/producers of films and T.V. serials is not maintained by the Income Tax Department.

(c) Tax is deductible at source from the fee for professional services paid to the following persons involved in films and T.V. serials:—

1. Actor
2. Cameraman
3. Director
4. Music Director
5. Art Director

†Original notice of the question was received in Hindi.

6. Dance Director
7. Editor
8. Singer
9. Lyricist
10. Story Writer
11. Screen Play Writer
12. Dialogue Writer
13. Dress Designer

Tax is also deductible at source from any sum paid for broadcasting, telecasting and production of programmes in pursuance of a contract.

(d) Recovery of taxes is a continuous process involving various statutory procedures. Action taken by the Government to recover any dues would depend on the facts of each case.

**VRS for General Insurance Companies**

2698. DR. ALLADI P. RAJKUMAR: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government have drawn up an elaborate plan for manpower reduction in State owned General Insurance Companies;

(b) if so, whether under the plan Government have offered about 13000 development officers of the four general insurance companies three options either to operate within lower cost parameters or opt for administrative posts or exist under the special voluntary retirement scheme; and

(c) whether this VRS will have adverse effect on efficiency of insurance sector?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) and (b) Yes, Sir.

(c) The Special Voluntary Retirement Scheme, introduced under General Insurance (Rationalization of Pay Scales and Other Conditions of Service of Development Staff) amendment Scheme, 2003, would enable the public sector General Insurance Companies to procure business at lower cost. It would enable the Companies to re-deploy